

FILED

2016 JAN 27 PM 4:22

CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

JANUARY 2015 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

SEAN DAVID MORTON and
MELISSA MORTON, aka Melissa
Thomson Morton, aka Melissa
Thomson, aka Melissa Ann
Thomson, aka Melissa Ann
Morton,

Defendants.

CR No. 15-00611(A) -

F I R S T
S U P E R S E D I N G
I N D I C T M E N T

[18 U.S.C. § 371: Conspiracy To
Defraud The United States; 18
U.S.C. § 287: False Claims To The
United States; 18 U.S.C. § 514:
Fictitious Obligations; 18 U.S.C.
§ 2(b):Causing An Act To Be Done]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 371]

At times relevant to this Indictment:

A. INTRODUCTORY ALLEGATIONS

1. Defendants SEAN DAVID MORTON and MELISSA MORTON, aka
Melissa Thomson Morton, aka Melissa Thomson, aka Melissa Ann Thomson,
aka Melissa Ann Morton (MELISSA MORTON) (collectively referred to as
defendants) were married and resided in Hermosa Beach, California,

1 which is located in Los Angeles County and within the Central
2 District of California.

3 2. The Internal Revenue Service (IRS) was and is an agency of
4 the United States Department of the Treasury, responsible for
5 administering and enforcing the tax laws of the United States.

6 3. IRS Forms 1099 were and are used to report, among other
7 things, interest income and associated withholding to the IRS.
8 "Original Issue Discount" (OID) income, typically reported on IRS
9 Forms 1099-OID, was and is a form of interest income commonly
10 realized on debt instruments issued at a discount to or purchased for
11 less than the ultimate redemption value of the debt instrument.

12 B. OBJECT OF THE CONSPIRACY

13 4. Beginning in or about March 2009, and continuing at least
14 until in or about April 2013, in Los Angeles County, within the
15 Central District of California, defendants SEAN DAVID MORTON and
16 MELISSA MORTON, together with others known and unknown to the Grand
17 Jury, knowingly combined, conspired, and agreed to defraud the United
18 States by impeding, impairing, obstructing, and defeating the lawful
19 governmental functions of a government agency, namely the IRS, by
20 deceitful and dishonest means.

21 C. MANNER AND MEANS OF THE CONSPIRACY

22 The object of the conspiracy was carried out, and to be carried
23 out, in substance, as follows:

24 5. Defendants, acting together and separately, prepared, and
25 aided in the preparation of defendant SEAN DAVID MORTON's 2005, 2006,
26 2007, and 2008 income tax returns, tax forms, and other documents and
27 submitted said false returns with attached false documents to the
28 IRS.

1 6. Defendants, acting together and separately, prepared, and
2 aided in the preparation of defendant MELISSA MORTON's 2007 income
3 tax return, tax forms, and other documents and submitted said false
4 return with attached false documents to the IRS.

5 7. Defendants caused multiple copies and multiple versions of
6 their income tax returns to be submitted to various IRS service
7 centers throughout the United States in 2009 and 2010.

8 8. Defendants falsely reported their filing status as "single"
9 or did not report a filing status, and filed returns separately.

10 9. Defendants attached false IRS Forms 1099-OID to their
11 federal income tax returns. These Forms 1099-OID falsely reported
12 that the defendants were the recipients of original issue discount
13 income from various payers, and that federal income tax had been
14 withheld on said interest income.

15 10. On several income tax returns, defendants falsely reported
16 to the IRS that they owed no federal income tax, but that income tax
17 had been withheld and paid to the IRS on the purported original issue
18 discount income. On other income tax returns, defendants falsely
19 reported to the IRS that the federal income tax owed on the purported
20 original issue discount income was less than the income tax that had
21 been withheld and paid to the IRS. In both instances, defendants
22 sought refunds of said purported withholding.

23 11. Defendants submitted to the IRS fictitious financial
24 instruments entitled "Coupon for Setoff, Settlement, and Closure"
25 which were made payable to the "Department of the Treasury, Internal
26 Revenue Service, C.I.D."

12. Defendants claimed that these fictitious financial instruments were a purported bond in exchange for the refunds they sought from the IRS.

13. Defendant SEAN DAVID MORTON submitted a false IRS Form 843, Claims for Refund and Request for Abatement, in the name of defendant SEAN DAVID MORTON for 2006, and claimed a refund to which defendant SEAN DAVID MORTON was not entitled.

14. Defendant MELISSA MORTON submitted a false IRS Form 843, Claims for Refund and Request for Abatement, in the name of defendant MELISSA MORTON for 2007, and claimed a refund to which defendant MELISSA MORTON was not entitled.

15. Defendants submitted to the IRS fictitious financial instruments entitled "Non-Negotiable Discharging Bond and Indemnity" which purported to be bonds issued by defendants to discharge and set off defendants' liability with the IRS.

16. Defendants submitted copious amounts of correspondence, documents, and miscellaneous IRS forms to the IRS in an effort to interfere with the administration of the income tax laws.

D. OVERT ACTS

17. On or about March 13, 2009, defendant SEAN DAVID MORTON submitted and caused to be submitted to the IRS, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, in the name of defendant SEAN DAVID MORTON, for the calendar year 2006, which claimed a refund in the amount of \$1,560,634. Along with this 2006 income tax return, defendant SEAN DAVID MORTON submitted and caused to be submitted to the IRS false and fraudulent Forms 1099-OID.

18. On or about March 13, 2009, defendant SEAN DAVID MORTON submitted and caused to be submitted to the IRS, a false and

1 fraudulent U.S. Individual Income Tax Return, Form 1040, in the name
2 of defendant SEAN DAVID MORTON, for the calendar year 2007, which
3 claimed a refund in the amount of \$1,754,594. Along with this 2007
4 income tax return, defendant SEAN DAVID MORTON submitted and caused
5 to be submitted to the IRS false and fraudulent Forms 1099-OID.

6 19. On or about March 13, 2009, defendant MELISSA MORTON
7 submitted and caused to be submitted a false and fraudulent U.S.
8 Individual Income Tax Return, Form 1040, in the name of defendant
9 MELISSA MORTON, for the calendar year 2007, which claimed a refund in
10 the amount of \$12,305. Along with this 2007 income tax return,
11 defendant MELISSA MORTON submitted and caused to be submitted to the
12 IRS a false and fraudulent Form 1099-OID.

13 20. On or about April 14, 2009, defendant SEAN DAVID MORTON
14 submitted and caused to be submitted a false and fraudulent U.S.
15 Individual Income Tax Return, Form 1040, in the name of defendant
16 SEAN DAVID MORTON, for the calendar year 2005, which claimed a refund
17 in the amount of \$136,077. Along with this 2005 income tax return,
18 defendant SEAN DAVID MORTON submitted and caused to be submitted to
19 the IRS false and fraudulent Forms 1099-OID.

20 21. On or about April 14, 2009, defendant SEAN DAVID MORTON
21 submitted and caused to be submitted a false and fraudulent U.S.
22 Individual Income Tax Return, Form 1040, in the name of defendant
23 SEAN DAVID MORTON, for the calendar year 2008, which claimed a refund
24 in the amount of \$479,506.

25 22. On or about April 17, 2009, the same day an income tax
26 refund in the amount of \$480,322.55 for defendant SEAN DAVID MORTON'S
27 2008 income tax return was issued by the IRS and transferred into
28 defendants' joint account at Washington Mutual Bank, Account #3324,

1 defendants opened two jointly held bank accounts with Washington
2 Mutual Bank, Accounts #4249 and #5891.

3 23. On or about April 17, 2009, defendant MELISSA MORTON
4 transferred \$110,467.99 from Account #3324 into Account #4249.

5 24. On or about April 17, 2009, defendant MELISSA MORTON
6 transferred \$250,000 from Account #3324 into Account #5891.

7 25. On or about April 17, 2009, defendant SEAN DAVID MORTON
8 withdrew \$70,000 in cash from Account #3324.

9 26. On or about October 29, 2009, defendant SEAN DAVID MORTON
10 mailed a fifty-two page packet of documents to the IRS in response to
11 October 26, 2009, levies issued against Accounts #3324 and #4249, and
12 a third account that belonged solely to defendant SEAN DAVID MORTON,
13 account #6716.

14 27. On or about November 12, 2009, defendant SEAN DAVID MORTON
15 mailed a document to the IRS entitled "Notice of Contest of Lien,"
16 which claimed, in relevant part, that any tax liability he owed to
17 the United States had been satisfied.

18 28. On or about March 3, 2010, defendant MELISSA MORTON mailed
19 a letter to the IRS, asserting that the IRS levied her "personal and
20 private accounts, which are not joint accounts with any other
21 party[?]" and "illegally removed funds from my personal and private
22 checking accounts[?]." Defendant MELISSA MORTON included a copy of
23 correspondence from JP Morgan Chase to defendant SEAN DAVID MORTON
24 regarding Accounts #3324, #4249, and #6716.

25 29. On or about March 15, 2010, defendant MELISSA MORTON mailed
26 a second letter to the IRS, and reiterated that the IRS levied
27 against her "personal and private checking accounts, without lawful
28 justification," that "SEAN DAVID MORTON(S) name appears no-where on

1 the checking accounts you've unlawfully levied." Defendant MELISSA
2 MORTON included a copy of correspondence from JP Morgan Chase to
3 defendant SEAN DAVID MORTON regarding Accounts #3324, #4249, and
4 #6716.

5 30. On or about March 17, 2010, defendant SEAN DAVID MORTON
6 mailed a twelve-page document to the IRS entitled "First Notice/
7 Certificate of Non-Response and Dishonor/Reminder of Default",
8 falsely claiming, among other things, that a presumption had arisen
9 that the IRS had consented to a lien against IRS assets in the amount
10 of \$900,000.

11 31. On or about March 26, 2010, defendant MELISSA MORTON mailed
12 the IRS a thirty-six page package of documents, which included a
13 document entitled "Default in Dishonor/Certificate of Estoppel,"
14 which stated that the IRS had "personally levied and lienied [sic] my
15 personal and private checking accounts, when Sean David Morton is not
16 a party to or part of, whereby his authenticated signature appears
17 no-where therein." Defendant MELISSA MORTON included a copy of
18 correspondence from JP Morgan Chase to defendant SEAN DAVID MORTON
19 regarding Accounts #3324, #4249, and #6716.

20 32. On or about March 31, 2010, defendant SEAN DAVID MORTON
21 mailed the IRS a multi-page document entitled "SECOND
22 NOTICE/CERTIFICATE OF NON-RESPONSE AND DISHONOR/REMINDER OF DEFAULT,"
23 wherein he reiterated his position that the IRS was subject to a
24 \$900,000 lien for the benefit of defendant SEAN DAVID MORTON.

25 33. On or about April 13, 2010, defendant SEAN DAVID MORTON
26 mailed a multi-page document to the IRS entitled "THIRD AND FINAL
27 NOTICE/CERTIFICATE OF NON-RESPONSE AND DISHONOR/REMINDER OF DEFAULT,"
28

1 wherein defendant SEAN DAVID MORTON stated that he had a lien against
2 the assets of the IRS.

3 34. On or about April 14, 2010, defendant SEAN DAVID MORTON
4 mailed a document to the IRS entitled "FIRST NOTICE OF DEMAND,"
5 wherein defendant SEAN DAVID MORTON stated, among other things, that
6 the IRS had no valid liens upon his property, and demanded that the
7 IRS "remove" any lien and/or levy filings made against him.

8 35. On or about April 14, 2010, defendant MELISSA MORTON mailed
9 a document to the IRS entitled "FIRST NOTICE OF DEMAND," wherein
10 defendant MELISSA MORTON stated, among other things, that the IRS had
11 no valid liens upon her property, and demanded that the IRS "remove"
12 any lien and/or levy filings made against her.

13 36. On or about April 21, 2010, defendant SEAN DAVID MORTON
14 mailed a document to the IRS entitled "SECOND NOTICE OF DEMAND,"
15 wherein defendant SEAN DAVID MORTON stated, among other things, that
16 the IRS had no valid liens upon his property, and demanded that the
17 IRS "remove" any lien and/or levy filings made against him.

18 37. On or about April 21, 2010, defendant MELISSA MORTON mailed
19 a document to the IRS entitled "SECOND NOTICE OF DEMAND," wherein
20 defendant MELISSA MORTON stated that the IRS had no valid liens upon
21 her property, and demanded that the IRS "remove" any lien and/or levy
22 filings made against her.

23 38. On or about April 28, 2010, defendant SEAN DAVID MORTON
24 mailed a document to the IRS entitled "THIRD NOTICE OF DEMAND,"
25 wherein defendant SEAN DAVID MORTON stated, among other things, that
26 the IRS had no valid liens upon his property, and demanded that the
27 IRS "remove" any lien and/or levy filings made against him.

1 39. On or about May 3, 2010, defendant MELISSA MORTON mailed a
2 document to the IRS entitled "THIRD NOTICE OF DEMAND," wherein
3 defendant MELISSA MORTON stated that the IRS had no valid liens upon
4 her property, and demanded that the IRS "remove" any lien and/or levy
5 filings made against her.

6 40. On or about August 31, 2010, defendant SEAN DAVID MORTON
7 submitted and caused to be submitted to the IRS, a false and
8 fraudulent U.S. Individual Income Tax Return, Form 1040, in the name
9 of defendant SEAN DAVID MORTON, for the calendar year 2005, which
10 claimed a refund in the amount of \$180,326. Along with this 2005
11 income tax return, defendant SEAN DAVID MORTON submitted and caused
12 to be submitted to the IRS false and fraudulent Forms 1099-OID.

13 41. On or about August 31, 2010, defendant SEAN DAVID MORTON
14 submitted and caused to be submitted to the IRS, a false and
15 fraudulent U.S. Individual Income Tax Return, Form 1040, in the name
16 of defendant SEAN DAVID MORTON, for the calendar year 2006, which
17 claimed a refund in the amount of \$180,326. Along with this 2006
18 income tax return, defendant SEAN DAVID MORTON submitted and caused
19 to be submitted to the IRS false and fraudulent Forms 1099-OID.

20 42. On or about August 31, 2010, defendant MELISSA MORTON
21 submitted and caused to be submitted a false and fraudulent U.S.
22 Individual Income Tax Return, Form 1040, in the name of defendant
23 MELISSA MORTON, for the calendar year 2007, which claimed a refund in
24 the amount of \$12,305. Along with this 2007 income tax return,
25 defendant MELISSA MORTON submitted and caused to be submitted to the
26 IRS a false and fraudulent Form 1099-OID.

27 43. On or about November 5, 2010, defendant SEAN DAVID MORTON
28 submitted and caused to be submitted a false and fraudulent U.S.

1 Individual Income Tax Return, Form 1040, in the name of defendant
2 SEAN DAVID MORTON, for the calendar year 2007. Along with this 2007
3 income tax return for defendant SEAN DAVID MORTON, defendant SEAN
4 DAVID MORTON submitted and caused to be submitted to the IRS false
5 and fraudulent Forms 1099-OID, a "Letter Rogatory and Affidavit in
6 Support", which falsely claimed a refund was due to defendant SEAN
7 DAVID MORTON in the amount of \$1,762,289.25, and a fictitious
8 financial instrument titled "COUPON FOR SETOFF, SETTLEMENT, AND
9 CLOSURE," in the amount of \$5,286,867.75, dated November 5, 2010,
10 made payable to the "Department of the Treasury, Internal Revenue
11 Service, C.I.D."

12 44. On or about November 19, 2010, defendant SEAN DAVID MORTON
13 submitted and caused to be submitted a false and fraudulent U.S.
14 Individual Income Tax Return, Form 1040, in the name of defendant
15 SEAN DAVID MORTON, for the calendar year 2006, which claimed a refund
16 in the amount of \$2,809,921.18. Along with this 2006 income tax
17 return, defendant SEAN DAVID MORTON submitted and caused to be
18 submitted to the IRS false and fraudulent Forms 1099-OID, and a
19 frivolous document titled "COUPON FOR SETOFF, SETTLEMENT, AND
20 CLOSURE," in the amount of \$8,429,763.54, dated November 19, 2010,
21 made payable to the "Department of the Treasury, Internal Revenue
22 Service, C.I.D."

23 45. On or about November 19, 2010, defendant SEAN DAVID MORTON
24 submitted and caused to be submitted a false and fraudulent U.S.
25 Individual Income Tax Return, Form 1040, in the name of defendant
26 SEAN DAVID MORTON, for the calendar year 2005, which claimed a refund
27 in the amount of \$244,230. Along with this 2005 income tax return,
28

1 defendant SEAN DAVID MORTON submitted and caused to be submitted to
2 the IRS false and fraudulent Forms 1099-OID.

3 46. On or about December 3, 2010, defendant MELISSA MORTON
4 submitted and caused to be submitted a false and fraudulent U.S.
5 Individual Income Tax Return, Form 1040, in the name of defendant
6 MELISSA MORTON, for the calendar year 2007, which claimed a refund in
7 the amount of \$14,816.70. Along with this 2007 income tax return for
8 defendant MELISSA MORTON, defendant MELISSA MORTON submitted and
9 caused to be submitted to the IRS a false and fraudulent Form 1099-
10 OID, and a frivolous document titled "COUPON FOR SETOFF, SETTLEMENT,
11 AND CLOSURE," in the amount of \$44,450.10, dated December 3, 2010,
12 made payable to the "Department of the Treasury, Internal Revenue
13 Service, C.I.D."

14 47. On or about June 21, 2012, defendant SEAN DAVID MORTON
15 submitted and caused to be submitted a false and fraudulent Claim for
16 Refund and Request for Abatement, IRS Form 843, in the name of
17 defendant SEAN DAVID MORTON, for the calendar year 2006, which
18 claimed a refund in the amount of \$1,560,634.

19 48. On or about June 21, 2012, defendant MELISSA MORTON
20 submitted and caused to be submitted a false and fraudulent Claim for
21 Refund and Request for Abatement, IRS Form 843, in the name of
22 defendant MELISSA MORTON, for the calendar year 2007, which claimed a
23 refund in the amount of \$12,727.

24 49. On or about April 2, 2013, defendant SEAN DAVID MORTON
25 submitted a false and fictitious financial instrument to the IRS,
26 entitled "Non-Negotiable Discharging Bond and Indemnity" ("Bond") in
27 the amount of \$10 million dollars.
28

1 50. On or about April 2, 2013, defendant MELISSA MORTON
2 submitted a false and fictitious financial instrument to the IRS,
3 entitled "Non-Negotiable Discharging Bond and Indemnity" (hereinafter
4 "Bond") in the amount of \$600,000.

COUNT TWO

[18 U.S.C. §§ 287; 2(b)]

51. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Two as if set forth fully herein.

52. On or about November 19, 2010, in Los Angeles County, within the Central District of California, defendant SEAN DAVID MORTON knowingly made and presented, and knowingly and willfully caused to be made and presented, to the Internal Revenue Service, an agency of the United States Department of Treasury, a false, fictitious, and fraudulent federal income tax return, U.S. Individual Income Tax Return for the year 2006, which constituted a claim against the United States for a federal income tax refund. The tax return was false, fictitious, and fraudulent, in that, as defendant SEAN DAVID MORTON well knew, he did not have income tax withholdings in the amount of \$2,809,921.18 as reported on the tax return, and was not entitled to the tax refund claimed on the tax return in the amount of \$2,809,921.18.

COUNT THREE

[18 U.S.C. §§ 287; 2(b)]

53. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Three as if set forth fully herein.

54. On or about June 26, 2012, in Los Angeles County, within the Central District of California, defendant SEAN DAVID MORTON knowingly made and presented, and knowingly and willfully caused to be made and presented, to the Internal Revenue Service, an agency of the United States Department of Treasury, a false, fictitious, and fraudulent IRS Form 843, Claim for Refund and Request for Abatement, for 2006, which constituted a claim against the United States for a federal income tax refund. The IRS Form 843 was false, fictitious, and fraudulent, in that, as defendant SEAN DAVID MORTON well knew, he was not entitled to an income tax refund in the amount of \$1,560,634 based on false income tax withholdings in the amount of \$2,528,929.00.

COUNT FOUR

[18 U.S.C. §§ 287; 2(b)]

55. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Four as if fully set forth herein.

56. On or about December 4, 2010, in Los Angeles County, within the Central District of California, defendant MELISSA MORTON, aka Melissa Thomson Morton, aka Melissa Thomson, aka Melissa Ann Thomson, aka Melissa Ann Morton (MELISSA MORTON) knowingly made and presented, and knowingly and willfully caused to be made and presented, to the Internal Revenue Service, an agency of the United States Department of Treasury, a false, fictitious, and fraudulent federal income tax return, U.S. Individual Income Tax Return for the year 2007, which constituted a claim against the United States for a federal income tax refund. The tax return was false, fictitious, and fraudulent, in that, as defendant MELISSA MORTON well knew, she did not have income tax withholdings in the amount of \$14,816.70 as reported on the tax return, and was not entitled to the tax refund claimed on the tax return in the amount of \$14,816.70.

COUNT FIVE

[18 U.S.C. §§ 287; 2(b)]

57. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Five as if fully set forth herein.

58. On or about June 26, 2012, in Los Angeles County, within the Central District of California, defendant MELISSA MORTON, aka Melissa Thomson Morton, aka Melissa Thomson, aka Melissa Ann Thomson, aka Melissa Ann Morton (MELISSA MORTON) knowingly made and presented, and knowingly and willfully caused to be made and presented, to the Internal Revenue Service, an agency of the United States Department of Treasury, a false, fictitious, and fraudulent IRS Form 843, Claim for Refund and Request for Abatement, for 2007, which constituted a claim against the United States for a federal income tax refund. The IRS Form 843 was false, fictitious, and fraudulent, in that, as defendant MELISSA MORTON well knew, she was not entitled to an income tax refund in the amount of \$12,727.

COUNT SIX

[18 U.S.C. §§ 514(a); 2(b)]

59. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Six as if fully set forth herein.

60. On or about November 5, 2010, in Los Angeles County, within the Central District of California, defendant SEAN DAVID MORTON, with the intent to defraud, passed, uttered, presented, and offered, and attempted and caused the same, a false and fictitious instrument, document, and other item, namely a "Coupon for Setoff, Settlement, and Closure" in the amount of \$5,286,867.75, appearing, representing, purporting, and contriving, through scheme and artifice, to be an actual security and other financial instrument issued under the authority of the United States and other political subdivision of the United States.

COUNT SEVEN

[18 U.S.C. §§ 514(a); 2(b)]

61. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Seven as if fully set forth herein.

62. On or about April 2, 2013, in Los Angeles County, within the Central District of California, defendant SEAN DAVID MORTON, with the intent to defraud, passed, uttered, presented, and offered, and attempted and caused the same, a false and fictitious instrument, document, and other item, namely a "Non-Negotiable Discharging Bond and Indemnity" in the amount of \$10,000,000, appearing, representing, purporting, and contriving, through scheme and artifice, to be an actual security and other financial instrument issued under the authority of the United States and other political subdivision of the United States.

COUNT EIGHT

[18 U.S.C. §§ 514(a); 2(b)]

63. The factual allegations contained in Paragraphs 1 through 50 of this Indictment are realleged and incorporated into Count Eight as if fully set forth herein.

64. On or about April 2, 2013, in Los Angeles County, within the Central District of California, defendant MELISSA MORTON, aka Melissa Thomson Morton, aka Melissa Thomson, aka Melissa Ann Thomson, aka Melissa Ann Morton (MELISSA MORTON), with the intent to defraud, passed, uttered, presented, and offered, and attempted and caused the same, a false and fictitious instrument, document, and other item, namely a "Non-Negotiable Discharging Bond and Indemnity" in the amount of \$600,000, appearing, representing, purporting, and contriving, through scheme and artifice, to be an actual security and other financial instrument issued under the authority of the United States and other political subdivision of the United States.

COUNTS NINE THROUGH THIRTY-TWO

[18 U.S.C. §§ 514(a); 2(b)]

65. On or about the dates listed below, in Los Angeles County, within the Central District of California, defendant SEAN DAVID MORTON, with the intent to defraud, passed, uttered, presented, and offered, and attempted and caused the same, false and fictitious instruments, documents, and other items, namely documents labeled "'Non-Negotiable' Discharging Bond and Indemnity", appearing, representing, purporting, and contriving, through scheme and artifice, to be actual securities and other financial instruments issued under the authority of the United States and other political subdivision of the United States.

Count	Date Instrument Mailed	Listed Issuer	Listed Recipient	Stated Par Value
09	4/12/2013	D.H.B.	Internal Revenue Service	\$600,000
10	5/10/2014	SEAN DAVID MORTON	California Franchise Tax Board	\$1,000,000
11	8/27/2014	W.P.G.	Quicken Loans	\$1,200,000
12	11/4/2014	W.P.G.	Internal Revenue Service	\$250,000
13	11/4/2014	W.F.K.	PNC Bank	\$500,000
14	11/4/2014	A.M.	PennyMac Financial Services	\$750,000
15	11/4/2014	M.W.	JP Morgan Chase	\$400,000

Count	Date Instrument Mailed	Listed Issuer	Listed Recipient	Stated Par Value
16	11/20/2014	D.N.M.	Bank of America, N.A.	\$100,000
17	11/20/2014	D.N.M.	American Express Financial Services	\$500,000
18	11/20/2014	D.N.M.	Comenity Capital Bank	\$120,000
19	11/20/2014	M.B.R.	Chevron Federal Credit Union	\$1,500,000
20	11/20/2014	M.B.R.	ACS Education Services	\$200,000
21	11/20/2014	M.C.U.	JP Morgan Chase	\$100,000
22	11/20/2014	S.H.Y.	Contra Costa County Treasurer	\$1,000,000
23	1/12/2015	D.W.	Citimortgage	\$1,000,000
24	3/17/2015	E.C.	Santander Bank	\$1,000,000
25	3/26/2015	T.C.	JP Morgan Chase	\$1,500,000
26	3/26/2015	P.M.	Nationstar Mortgage	\$750,000
27	6/1/2015	B.L.	Navient Student Loans	\$550,000
28	6/8/2015	M.A.E.	Internal Revenue Service	\$750,000

Count	Date Instrument Mailed	Listed Issuer	Listed Recipient	Stated Par Value
29	6/8/2015	M.A.E.	California Franchise Tax Board	\$250,000
30	6/8/2015	M.G.H.	Nationstar Mortgage	\$1,600,000
31	6/8/2015	D.M.S.	Barclay Card, US	\$150,000
32	7/24/2015	N.J.Z.	Bank of America, N.A.	\$50,000

COUNTS THIRTY-THREE THROUGH FIFTY-SIX

[18 U.S.C. §§ 514(a); 2(b)]

66. On or about the dates listed below, in Los Angeles County, within the Central District of California, defendant MELISSA MORTON, aka Melissa Thomson Morton, aka Melissa Thomson, aka Melissa Ann Thomson, aka Melissa Ann Morton (MELISSA MORTON), with the intent to defraud, passed, uttered, presented, and offered, and attempted and caused the same, false and fictitious instruments, documents, and other items, namely documents labeled "'Non-Negotiable' Discharging Bond and Indemnity", appearing, representing, purporting, and contriving, through scheme and artifice, to be actual securities and other financial instruments issued under the authority of the United States and other political subdivision of the United States.

Count	Date Instrument Mailed	Listed Issuer	Listed Recipient	Stated Par Value
33	4/12/2013	D.H.B.	Internal Revenue Service	\$600,000
34	5/10/2014	SEAN DAVID MORTON	California Franchise Tax Board	\$1,000,000
35	8/27/2014	W.P.G.	Quicken Loans	\$1,200,000
36	11/4/2014	W.P.G.	Internal Revenue Service	\$250,000
37	11/4/2014	W.F.K.	PNC Bank	\$500,000
38	11/4/2014	A.M.	PennyMac Financial Services	\$750,000

Count	Date Instrument Mailed	Listed Issuer	Listed Recipient	Stated Par Value
39	11/4/2014	M.W.	JP Morgan Chase	\$400,000
40	11/20/2014	D.N.M.	Bank of America, N.A.	\$100,000
41	11/20/2014	D.N.M.	American Express Financial Services	\$500,000
42	11/20/2014	D.N.M.	Comenity Capital Bank	\$120,000
43	11/20/2014	M.B.R.	Chevron Federal Credit Union	\$1,500,000
44	11/20/2014	M.B.R.	ACS Education Services	\$200,000
45	11/20/2014	M.C.U.	JP Morgan Chase	\$100,000
46	11/20/2014	S.H.Y.	Contra Costa County Treasurer	\$1,000,000
47	1/12/2015	D.W.	Citimortgage	\$1,000,000
48	3/17/2015	E.C.	Santander Bank	\$1,000,000
49	3/26/2015	T.C.	JP Morgan Chase	\$1,500,000
50	3/26/2015	P.M.	Nationstar Mortgage	\$750,000
51	6/1/2015	B.L.	Navient Student Loans	\$550,000

Count	Date Instrument Mailed	Listed Issuer	Listed Recipient	Stated Par Value
52	6/8/2015	M.A.E.	Internal Revenue Service	\$750,000
53	6/8/2015	M.A.E.	California Franchise Tax Board	\$250,000
54	6/8/2015	M.G.K.	Nationstar Mortgage	\$1,600,000
55	6/8/2015	D.M.S.	Barclay Card, US	\$150,000
56	7/24/2015	N.J.Z.	Bank of America, N.A.	\$50,000

A TRUE BILL

151
Foreperson

EILEEN M. DECKER
United States Attorney



LAWRENCE S. MIDDLETON
Assistant United States Attorney
Chief, Criminal Division



SANDRA R. BROWN
Assistant United States Attorney
Chief, Tax Division



VALERIE D. MAKAREWICZ
JAMES C. HUGHES
Assistant United States Attorneys
Tax Division